

Service Date: August 28, 1991

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

* * * * *

IN THE MATTER of the Application) UTILITY DIVISION
by the MONTANA POWER COMPANY for)
Authority to Increase Rates for) DOCKET NO. 90.6.39
Natural Gas and Electric Service.) ORDER NO. 54841

AMENDED FINAL ORDER

Background and Discussion

Electric

1. On July 12, 1991 the Commission issued Order No. 5484k in this Docket. Paragraphs 1 and 2 of the Order section of Order No. 5484k read as follows:

1. Applicant, Montana Power Company, is hereby authorized to accrue for implementation in rates an increase in annual Montana jurisdictional electric revenues of \$39,839,707. Such accrual beginning on the effective date of this Order, will be reflected in rates beginning August 29, 1991, and amortized over a one-year period.

2. Applicant, Montana Power Company, is hereby authorized to implement increased rates, beginning August 29, 1991, designed to increase annual jurisdictional electric revenues by \$39,839,707. Such implementation will be subject to the cost-of-service/rate design order in this Docket to be issued at a later date.

2. The Commission will not issue a cost-of-service/rate design order in this Docket in time for MPC to implement rates based on that order by August 29, 1991. The Commission has considered various other alternatives for implementing rates, including implementing rates on August 29, 1991 on a uniform

percentage basis using the current cost-of-service/rate design. The Commission prefers that the number of rate changes be minimized. Therefore, paragraphs 1 and 2 of the Order section of Order No. 5484k will be modified as indicated below.

Gas

3. Paragraph 4 of the Order section of Order No. 5484k reads as follows:

4. Applicant, Montana Power Company, is hereby ordered to accrue for implementation in rates a decrease in annual natural gas revenues from the interim level of \$132,117. Such accrual, beginning on the effective date of this Order, will be reflected in rates and amortized over a one-month period.

The Commission determines that the one-month amortization period should be changed to eliminate a rate change one-month after the effective date of rates filed in compliance with Order No. 5484k and subsequent orders.

ORDER

The Montana Public Service Commission Hereby Orders that Order Section Paragraphs 1, 2 and 4 in Order No. 5484k are Modified as follows:

1. Applicant, Montana Power Company, is hereby authorized to accrue for implementation in rates an increase in annual Montana jurisdictional electric revenues of \$39,839,707.

2. Applicant, Montana Power Company is hereby authorized to accrue for implementation in rates a decrease in annual natural gas revenues of \$132,117. Further guidance on the implementation of this decrease will be provided in a later order in this Docket, after due consideration of matters in Docket No. 90.1.1.

3. With the exception of the changes herein indicated, Order No. 5484k remains the same.

DONE AND DATED this 26th day of August, 1991, by a 5 to 0 vote.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

HOWARD L. ELLIS, Chairman

DANNY OBERG, Vice Chairman

WALLACE W. "WALLY" MERCER, Commissioner

JOHN B. DRISCOLL, Commissioner

BOB ANDERSON, Commissioner

ATTEST:

Ann Peck
Commission Secretary

(SEAL)

NOTE: Any interested party may request that the Commission reconsider this decision. A motion to reconsider must be filed within ten (10) days. See 38.2.4806, ARM.